

CHAPTER 4

SECTION 2

TYPES OF PROVIDERS

1.0. INSTITUTIONAL PROVIDERS

1.1. Institutional providers are those providers which primarily provide inpatient care to the ill and the infirm and which are other than professional corporations or professional associations. Institutional providers (hospitals, skilled nursing facilities, nursing homes, etc.) bill for services, both inpatient or outpatient, in the name of an organization. The term “institutional provider” does not include a professional corporation or a professional association qualifying as a domestic corporation under Section 301.7701-5 of the Federal Income Tax Regulation nor does it include other corporations that provide principally professional services.

1.2. The contractor may grant TRICARE-*certified* institutional provider status to the following categories of institutional providers which are Medicare-certified, JCAHO-accredited (when required), and meets all criteria for its provider category required by the [32 CFR 199.6](#). The contractor shall keep informed as to the Medicare certification and JCAHO accreditation (when required) of each institution within its jurisdiction to assure that institutions maintain their TRICARE-*certified* provider status. This requires a regular review of the accreditation and certification directories and by any other inquiry as the contractor deems necessary to assure that only eligible facilities receive TRICARE reimbursement. The contractor is the TRICARE certifying authority for the following categories:

- Christian Science Sanitariums
- Heart Transplant Centers
- Liver Transplant Centers
- Free Standing Ambulatory Surgical Centers
- Birthing Centers
- Hospitals - General, acute, long term, psychiatric (inpatient), and special (e.g., rehabilitation)
- Infirmarys
- Skilled Nursing Facilities

1.3. For hospitals that do not have JCAHO accreditation, the contractor may waive the JCAHO accreditation for any of the above institutions except psychiatric hospitals (inpatient and partial), and substance use disorder rehabilitation facilities. The contractor may waive JCAHO accreditation for both network and non-network institutions. The contractor shall document why the institution does not have JCAHO accreditation, if it has lost its JCAHO accreditation, what date it was terminated, the reason why, and what impact on the program it will have if the waiver is not obtained. If the institution lost its JCAHO accreditation because of an issue of health and safety of the patients, the contractor shall not grant the waiver. Medicare certification must be maintained. Prior to granting the waiver, the contractor shall consult with the Lead Agent to determine any reasons why the waiver

should not be granted. If the Lead Agent does not agree that the institution's JCAHO accreditation should be waived and the matter cannot be resolved between the two parties, the proposed waiver shall be referred to the Director, TMA, for a final decision. In the case of those psychiatric hospitals that are not JCAHO accredited because they have not been in operation a sufficient period of time to be eligible to request an accreditation survey by the JCAHO, the contractor may grant temporary approval if the hospital is certified and participating under Title XVIII of the Social Security Act (Medicare, Part A). This temporary approval expires 12 months from the date on which the psychiatric hospital first becomes eligible to request an accreditation survey by the JCAHO.

2.0. PROFESSIONAL/NON-INSTITUTIONAL PROVIDERS OF CARE

2.1. Certification Requirements

Professional providers of care are those providers who usually provide direct personal service to patients in the form of evaluating, counseling, surgery and similar personal services and who usually bill for their services on a fee-for-service basis. These are physicians, dentists, podiatrists or other allied health professionals who are not employed by or contracted with an institutional provider (e.g., a hospital, skilled nursing facility, etc.) and who are not employees of another professional provider and providing care which is incident to the care of the employer. Those professional providers who provide direct patient care, independently, even though employed by another professional provider (e.g., a social worker or psychologist, employed by a psychologist or psychiatrist, but who works in counseling with patients) must also be certified. All individual professional providers must be licensed by the local licensing agency for the jurisdiction in which the care is provided; or, if the licensure is not provided by the state, be certified by or be eligible for membership in the appropriate national or professional association which sets standards for the profession of which the provider is a member. Services provided must be in accordance with good medical practice and prevailing standards of quality of care and within recognized utilization norms. Any professional who provides direct patient care must be qualified under TRICARE standards or, for network care only, under contractor standards which have been approved by TMA.

2.2. Billing On Behalf Of A Professional Employee Or Member

In any instance in which a professional provider, professional corporation or professional association bills on behalf of a professional employee or professional member who requires TMA *certification* for services, that provider, as part of the certification procedure, must obtain and retain in his/her files authorization for the employer or association to bill for his or her services. The provider must agree to obtain and maintain agreements when a new professional employee or member joins the provider or provider organization and to keep the contractor informed of such changes. Additionally, the provider must agree to make the agreement (or an acceptable copy) available to TMA, the contractor or other entity specifically approved by TMA, e.g., Defense Audit Agency.

2.3. Licensing Required: Scope Of License

Otherwise covered services shall be cost-shared or paid under TRICARE only if the individual professional provider holds a current, valid license to practice his or her profession or is otherwise legally authorized to practice as required in the jurisdiction where

the service is rendered. The service provided must be within the scope of the license or within the scope provided by other legal authorization to practice.

2.4. Christian Science

Christian Science practitioners and Christian Science nurses are recognized by public law to provide services under TRICARE. Inasmuch as they provide services of an extramedical nature, the general criteria outlined above do not apply to Christian Science services. Practitioners and nurses must be listed or eligible for listing in the **Christian Science Journal** at the time the services are provided.

2.5. Interns And Residents

Interns and Residents may not be paid directly under TRICARE for services rendered to a beneficiary when their services are provided as part of their employment, whether salaried or contractual, by a hospital or other institutional provider.

